

Proposed Revisions to the Kitsap Countywide Planning Policies
And Population Distribution 2005 - 2025

*Approved by the Kitsap Regional Coordinating Council
in a series of actions culminating September 14, 2004 and
Recommended to the Kitsap County Board of Commissioners for adoption.
Recommended to the Cities and Tribes for ratification.*

On December 15, 2003, Kitsap County adopted revisions to the Kitsap Countywide Planning Policies (Ordinance 312-2003) based on extensive collaboration with the Cities of Bremerton, Bainbridge Island, Poulsbo, and Port Orchard and the Suquamish and Port Gamble S'Klallam Tribes through the Kitsap Regional Coordinating Council.

On April 6, 2004, following further multi-jurisdictional collaboration, the Kitsap Regional Coordinating Council Board released the document "Proposed Revisions to the Kitsap Countywide Planning Policies" for a 25 day public comment period, through April 30, 2004.

On April 20, 2004, the KRCC held a public hearing, with written comment accepted through April 30.

On July 6, 2004, the KRCC Board endorsed changes to that document, based upon public comment, and recommended the revisions to the Kitsap County Board of Commissioners for adoption and the Cities and Tribes for ratification.

On July 27, 2004, the KRCC held a public hearing with written comment accepted through that date, concerning the proposed Population Distribution for 2005 – 2025, shown as Appendix B to the Countywide Planning Policies.

Kitsap County was lead agency for SEPA review, with a Determination of Non-significance issued on September 7, 2004.

On September 14, the KRCC Board endorsed Appendix B: Population Distribution, with changes based upon public comment, and supporting changes to Element B: Urban Growth Areas and recommended the revisions to the Kitsap County Board of Commissioners for adoption and the Cities and Tribes for ratification

Approved changes are shown accepted into the document.

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INTRODUCTION

The Growth Management Act (GMA) is founded on the principle that it is in the best interest of the citizens of the State to foster coordination and cooperation among units of local and state government. Cities and counties must engage in a collaborative planning process under the requirements of the Act. Specifically, the Act states that, *"THE LEGISLATURE FINDS THAT UNCOORDINATED AND UNPLANNED GROWTH ... POSE A THREAT TO THE ENVIRONMENT, SUSTAINABLE ECONOMIC DEVELOPMENT, AND THE HEALTH, SAFETY, AND HIGH QUALITY OF LIFE ENJOYED BY RESIDENTS OF THE STATE. IT IS IN THE PUBLIC INTEREST THAT CITIZENS, COMMUNITIES, LOCAL GOVERNMENTS, AND THE PRIVATE SECTOR COOPERATE AND COORDINATE WITH ONE ANOTHER IN COMPREHENSIVE LAND USE PLANNING."*

The Growth Management Act (RCW 36.70A.210) states that *"A COUNTYWIDE PLANNING POLICY IS A WRITTEN POLICY STATEMENT OR STATEMENTS USED SOLELY FOR ESTABLISHING A COUNTYWIDE FRAMEWORK FROM WHICH COUNTY AND CITY COMPREHENSIVE PLANS ARE DEVELOPED AND ADOPTED ... (TO) ENSURE THAT CITY AND COUNTY COMPREHENSIVE PLANS ARE CONSISTENT..."* as required in RCW 36.70A.100. *"NOTHING IN THIS DOCUMENT SHALL BE CONSTRUED TO ALTER THE LAND USE POWERS OF CITIES."* The Act requires that the countywide policy be collaboratively developed among Cities and the County. Further, *"FEDERAL AGENCIES AND INDIAN TRIBES MAY PARTICIPATE IN AND COOPERATE WITH THE COUNTYWIDE PLANNING POLICY ADOPTION PROCESS."* These policies may also be used for other purposes requiring collaboration and cooperation in addition to the development and adoption of comprehensive plans.

The 1992 Kitsap Countywide Planning Policy and subsequent revisions in 2001 and 2003 were developed by a committee of planners representing Kitsap County, the City of Bremerton, the City of Port Orchard, the City of Poulsbo, the City of Bainbridge Island, the Port Gamble S'Klallam Tribe, the Suquamish Tribe, the Navy, and Kitsap Transit. At each point, the Kitsap Regional Coordinating Council conducted a public hearing and prepared a recommendation for adoption by the Kitsap County Board of Commissioners and ratification by Cities and Tribes. The process of review and discussion through the KRCC forum is intended to foster consensus whenever possible. County and City Comprehensive Plans must be consistent with the adopted Countywide Planning Policy.

Policies for Update and Ratification (UR):

1. The Kitsap Countywide Planning Policy should be dynamic and regularly monitored for applicability and effectiveness.
 - a. The adopted Countywide Planning Policy should be reviewed through the KRCC process at least every five years. Proposed revisions shall be reviewed for impacts according to the State Environmental Protection Act (SEPA) and shall be consistent with the State Growth Management Act (GMA).
 - b. The County or a City may propose a policy amendment to the Countywide Planning Policy.
2. Proposed amendments should be considered on a regular basis and voting is subject to the Kitsap Regional Coordinating Council by-laws.
 - c. Kitsap County shall take action to consider and adopt amendments or revisions to the Countywide Planning Policy following recommendation from the KRCC.
 - b. The KRCC will strive for ratification by all Cities and Tribes during the 90 days following the Board of County Commissioners' adoption of its subject ordinance. The adopted CPP will become effective upon ratification by three or more cities representing a majority of (combined) city population in Kitsap County.
 - c. A City or Tribal Council that does not ratify the revised Countywide Planning Policy within 90 days of the Board of County Commissioners' adoption of its subject ordinance, shall provide a written statement of its objections to the KRCC, in order to facilitate further review.(See Appendix A for process flow chart).
 - d. Once the ratified revisions to the Countywide Planning Policy take effect, a City or the Governor's office may appeal the revisions to the Growth Management Hearings Board within a further 60 day period.

Element A. Countywide Growth Pattern

This vision for the future of Kitsap County, as articulated in the Kitsap County Comprehensive Plan (1998), “seeks to maintain and enhance the quality of life that makes our County a special place to live and work..... envision a future in which our natural systems are protected; the water quality in our lakes, streams and Puget Sound is enhanced; the village character of some of our smaller towns is preserved; the historical nature of our communities is respected in order to preserve our heritage for future generations; a diversified economic base that supports good jobs, contributes to healthy downtowns in our cities and affordable housing choices; and the rural appearance of our county is perpetuated.

This vision of the future – which is shared by citizens and elected officials – includes the following elements:

- a. Livable urban communities and neighborhoods, centers for employment, civic activities, housing:
 - Attractive, well designed and livable urban communities, supported by efficient and high quality services and facilities, and providing a range of housing choices.
 - Healthy cities that are the region’s centers for employment, affordable housing choices, and civic and cultural activities.
- b. Vital diversified economy: A vital diversified economy that provides living wage jobs for residents, supported by adequate land for a range of employment uses and that encourages accomplishment of local economic development goals.
- c. Efficient multi-modal transportation system: Creation of an efficient multi-modal transportation system – including roads and highways, ferries, airports, and opportunities for non-motorized travel – that provides efficient access and mobility for county residents and supports our land use pattern.
- d. Natural systems protection:
 - Protection and enhancement of the natural environment, including wetlands, streams, wildlife habitat, water quality and natural resource activities.
 - Creation of a system of open space, parks and greenbelts that provide opportunities for recreation and that give structure and separation to urban areas.
- e. Rural character outside of Urban Growth Areas: Maintenance of the traditional character, appearance, functions and lifestyles of Kitsap County’s rural communities and areas
- f. Responsive Government: An efficient and responsive government that works with citizens, governmental entities and Tribes to meet collective needs fairly; and that supports education, environmental protection and human services.

A key strategy to accomplish this vision is the intention to encourage future urban growth in areas within incorporated cities and in unincorporated areas that are already characterized by urban growth with existing and planned services and facilities. These actions will work to strengthen our natural environment and rural character, and are geared to reduce taxpayer costs by focusing the expenditure of public funds, encouraging concentrated development where appropriate, and increasing our choices for housing and jobs.”

Balancing historical patterns of growth with a preferred vision of the future and legal requirements is an on-going challenge. Tradeoffs must be made to balance the costs with the gains; flexibility is necessary to adapt to changing conditions. These policies are intended to reflect the long-term goals of the people living, working and doing business here.

Policies for Countywide Growth Pattern (CW):

1. Roles of Cities and Urban Growth Areas/Urban Communities

- a. The primary role of Kitsap's urban communities is to encourage growth, through new development, re-development and in-fill. (See Appendix B for current and projected population distribution.)
- b. Each of Kitsap's urban communities should foster its unique vision as a high quality place to live and work.
- c. In Kitsap, urban communities are closely linked to water and natural amenities and provide open space links to the natural environment.

2. Roles of Kitsap County:

- a. Keep regional vision in mind when making local decisions.
- b. Promote stewardship of unincorporated urban areas and promote transition to cities when financially viable.
- c. Maintain/enhance natural systems and rural character.
- d. Include a variety of low density rural communities, densities, and uses.

3. To achieve these goals, KRCC member jurisdictions should:

- a. Make decisions together when needed.
- b. Coordinate and cooperate on land use, policy and capital planning.
- c. Establish and keep updated a Land Capacity Analysis Program.
- d. Develop a program for the Transfer of Development Rights to preserve lands with important public benefits.
- e. Maintain/preserve distinct urban identities with green breaks or other natural features.
- f. Promote tiering and/or phasing of infrastructure development within Urban Growth Areas.
- g. Develop and implement land use policies, regulations and incentives to promote the efficient use of urban areas.

Element B. Urban Growth Areas

The basic premise for designating Urban Growth Areas is to encourage the location of urban density residential, commercial and industrial developments in areas where services can be most economically provided. The benefits of directing growth to designated urban areas include:

- * Higher density residential development within walking distance of jobs, transit, schools and parks.
- * Limiting urban expansion into rural and forested areas.
- * Promotion of in-fill or redevelopment of existing urban areas.
- * Preservation of open space, critical areas and lands designated for resource protection.
- * Accommodation of employment growth in a concentrated pattern.
- * More economical provision and maintenance of streets, sewer/ water lines and other public facilities.
- * Promotion of attractive residential neighborhoods and commercial districts which provide a sense of community.
- * A harmonious relationship with regional planning as articulated by Vision 2020 *and Destination 2030* adopted by the Puget Sound Regional Council as the growth and transportation strategy for central Puget Sound.

Policies for Urban Growth Areas (UGA):

1. Land Capacity Analysis Program:

Consistent with RCW 36.70A.115, the County and Cities shall ensure that, taken collectively, adoption of and amendments to their comprehensive plans and/or development regulations provide sufficient capacity or suitable for development within their jurisdictions to accommodate their housing and employment growth (derived from population distribution), as adopted in the applicable Countywide Planning Policies and consistent with the 20-year population forecast from the WA Office of Financial Management.

- a. The County and the Cities shall maintain a Land Capacity Analysis Program to monitor land supply and trends for residential, commercial, and industrial lands to determine the success of implementation of their respective comprehensive plans. This Program is intended to fulfill the State requirement for a Buildable Lands Program.
- b. The County and the Cities shall participate in the Land Capacity Analysis using a consistent methodology for review and evaluation.
- c. The County and the Cities shall develop strategies from Land Capacity Analysis to efficiently use the available capacity of residential, commercial and industrial uses within Urban Growth Areas, reducing the need to expand the urban growth boundaries.
- d. The County and Cities shall establish procedures for resolving inconsistencies in collection and analysis of Land Capacity data. In the event a resolution cannot be achieved, the Kitsap Regional Coordinating Council shall be a forum to review and if possible facilitate any disputes between parties.

Background: The Growth Management Act was amended in 1997 requiring Kitsap County and the Cities to monitor countywide development activities in five-year intervals in order to test the population growth assumptions incorporated in the Urban Growth Area capacity analyses. This Buildable Land Analysis compares growth and development assumptions, targets, and objectives with actual growth and development, including residential, commercial, and industrial capacity. If inconsistencies are found, the County and Cities must then identify reasonable measures, other than adjusting Urban Growth Areas, that will be taken in order to comply with the GMA. The following countywide planning policies relate to this regional program to monitor the buildable land supply for future growth as forecasted by the State and distributed through the Kitsap Regional Coordinating Council process.

2. Process and criteria for establishing, expanding, and adjusting Urban Growth Areas in Kitsap County:

- a. Urban Growth Areas are areas “within which urban growth shall be encouraged and outside of which growth can occur only if it is not urban in nature” (RCW 36.70A.110(1)) except under specific circumstances, as fully contained communities and master planned resorts as authorized by the Growth Management Act.
- b. Unincorporated Urban Growth Areas should be associated with an existing or future city.
- c. All Urban Growth Areas shall be reflected in County and respective City comprehensive plans.
- d. Sufficient area must be included in the Urban Growth Areas to accommodate the adopted 20-year population distribution as adopted by the Kitsap Regional Coordinating Council and consistent with WA Office of Financial Management projections.
- e. A jurisdiction may define growth tiers within its Urban Growth Area (RCW 36.70A.110.3) to focus public and/or private investment where growth is desired. Utility development and/or expansion may be phased to support efficient and cost-effective growth and to prioritize investments.
- f. The County, City, or interested citizens may initiate an amendment to an existing Urban Growth Area through the comprehensive plan amendment process as authorized by the Growth Management Act.
- g. Any jurisdiction seeking to expand its Urban Growth Area shall achieve densities consistent with the Growth Management Act, as interpreted by the Growth Management Hearings Board, and the City’s adopted Comprehensive Plan and any inter-local agreement between the City and the County.=
- h. If an adopted or proposed 20-year projected population distribution may require expansion of its Urban Growth Area, the respective jurisdiction shall conduct planning and analysis, addressing the following conditions:
 - i. Update and confirm the capacity analysis for land within the existing Urban Growth Area for residential, commercial, and/or industrial lands, which takes into account all development approved within the overall UGA since the last UGA expansion. This shall be based upon the Buildable Lands Report and future Land Capacity Analyses that follow the guidelines of RCW 36.70A.215. or other analysis determined appropriate for the particular UGA involved. To maximize consistency across jurisdictions, each jurisdiction shall use consistent methodology in calculating capacity.
 - ii. Review the planning and zoning regulations and any incentive programs in place to determine expected densities in the existing UGA consistent with the Growth Management Act, as interpreted by the Growth Management Hearings Board, and the jurisdiction’s adopted Comprehensive Plan;
 - iii. Data collection and analysis for the capacity analysis should be done cooperatively. The County will be responsible for data describing the unincorporated portion of the Urban Growth Area, and the City for the incorporated portion.
- i. Expansion of Urban Growth Areas shall direct growth first to areas already characterized by urban growth that have adequate existing public facility and service capabilities to serve development; second to areas already characterized by urban growth that will be served adequately by a combination of both existing public facilities and services and any additional needed public facilities and services that are provided; and third to areas that are adjacent to incorporated cities or established Urban Growth Areas once the available land meeting the first or second priority has been designated. Areas which have existing public facilities or where

public facilities can be reasonably extended and are not currently at urban densities should be considered first within this category.

- j. A jurisdiction, as part of its Comprehensive Plan amendment or Subarea Plan process, that proposes an expansion of the UGA shall prepare or update a comparison of potential areas for expansion, including.
 - i. Planning and zoning regulations currently in place.
 - ii. An evaluation of how a full range of urban-level infrastructure and services would be provided within potential expansion areas, including appropriate capital facility analysis.

Fire	Storm Water	Solid Waste
Police	Potable Water	Park & Recreation Facilities
Transportation	Sewer	Schools
Utilities: Power and Telecommunications, including Broadband		
EMS		

All service providers including special districts and adjacent jurisdictions should be included in the evaluation. Best available infrastructure technology may be used provided that it has been approved by the jurisdiction as part of a broader review of available technology.

- iii. Although specific standards and criteria are not implied, other factors shall be addressed in evaluating areas for Urban Growth Area expansion, including but not limited to: environmental constraints; economic development; preservation of cultural, historical, and designated resource lands.
- k. The City and County shall conduct early and continuous public involvement when establishing, expanding, or adjusting Urban Growth Areas, and shall do so jointly when appropriate. Residents of unincorporated areas should be consulted and actively involved in the process affecting them.

3. Coordinated Growth Management in Urban Growth Areas:

- a. Adopted City and County comprehensive plans shall reflect the intent that all land within unincorporated Urban Growth Areas will either annex to a city or incorporate within the 20-year planning horizon, subject to the state annexation procedures.
- b. To maximize the efficient use of urban lands, subdivisions in Urban Growth Areas shall be consistent with the associated jurisdiction's Comprehensive Plan and underlying zoning densities.
- c. As described in the Growth Management Act, cities are the primary provider of municipal services and facilities in their Urban Growth Areas, responsible for demonstrating within their Comprehensive Plans the capacity to provide all urban services within their associated Urban Growth Area(s). This may be accomplished through a collaborative process with Kitsap County and/or other service providers.
- d. To facilitate and encourage annexation of urban areas over the 20 year planning period, the County and each respective City should work together to promote coordination and consistency in land uses, zoning, and development regulations. This should be accomplished through:
 - i. Urban Growth Area Management Agreements (UGAMA's) that address the issues described in this policy. (See Appendix C for further detail on contents of UGAMA's);
 - ii. Joint planning for specific areas to address land uses, infrastructure needs, level of service standards as identified in these policies, and other issues as needed. Special districts should be included in the

planning process as appropriate. The results of the joint planning should be reflected in County and City comprehensive plans;

- iii. Modifications to County development regulations to reflect city standards and to regulate development in a manner that promotes the likelihood of annexation;
 - iv. Coordination in the review of permit applications as appropriate;
 - v. Specific proposals for annexation as developed or considered by the city. Residents of unincorporated areas should be consulted and actively involved in the annexation process affecting them. All service providers including special districts and adjacent jurisdictions should be included in annexation and/or incorporation planning.
- e. For Urban Growth Areas not associated with a specific city:
- i. The County should plan with local communities to address land uses, infrastructure needs, level of service standards as identified in these policies, and other issues as needed. The results should be reflected in the County comprehensive plan.
 - ii. The County should continue to provide a level of urban facilities and services generally equivalent to those of cities on an interim basis for those Urban Growth Areas that eventually will incorporate, and on an on-going basis as appropriate.

4. Distribution of 20 year population increments, as forecasted by the WA Office of Financial Management:

- a. The Kitsap Regional Coordinating Council shall coordinate the process for distributing the forecasted population for the period 2005 – 2025 and every five years thereafter, consistent with the requirements of the Growth Management Act. Kitsap County shall adopt any revision to the population distribution as part of its next Comprehensive Plan amendment process and the Cities shall base their Comprehensive Plan amendments upon that distribution. The distribution process should consider countywide demographic analysis, the Land Capacity Analysis, and the OFM projections and it shall promote a countywide development pattern targeting over three quarters (76%) of new population growth to the designated Urban Growth Areas. The County and the Cities recognize that the success of this development pattern requires not only the rigorous support of Kitsap County in the rural areas, but also Cities' comprehensive plans being designed to attract substantial new population growth.

At the first 5 year review of the 2005 – 2025 population distribution through the KRCC process, if the above 76% Urban Growth Area target is not re-affirmed or explicitly modified, the target will revert to 83% to the Urban Growth Areas, as per the revised Countywide Planning Policies adopted by Kitsap County Ordinance #258-01.

- b. Each jurisdiction with a designated Urban Growth Area shall develop an estimate and/or range of the additional population that it could accommodate and service during the 20 year planning horizon, consistent with its vision for future community character. The estimate shall consider the need for increasing population density within the Urban Growth Areas to promote efficient service delivery, avoid sprawl, and preserve community character.
- c. The population estimates and/or ranges shall be provided to the Kitsap Regional Coordinating Council, with a statement of need concerning adjusted Urban Growth Area boundaries.
- d. The Kitsap Regional Coordinating Council shall compile the jurisdictions' population estimates, including the estimate of additional population capacity for areas outside the Urban Growth Areas, and determine whether adjustments to the overall distribution are required in order to fit within the OFM projected range.

- e. The Kitsap Regional Coordinating Council, after conducting a public hearing, shall recommend the estimate and/or ranges of 20 year population distribution to Kitsap County for adoption as an amendment to the Countywide Planning Policy.
- f. Kitsap County should give substantial weight to the KRCC recommendation in adopting the 20-year population distribution.
- g. Following adoption of the estimates and/or ranges, each jurisdiction should update its comprehensive plan, so as to arrive at a final population target consistent with the estimate and/or within the original range.
- h. After each jurisdiction has completed its comprehensive plan update, the final adopted target should be compiled and reviewed through the Kitsap Regional Coordinating Council process and the revised population distribution incorporated into the Countywide Planning Policy. A final distribution to Urban Growth Areas versus non-Urban Growth Areas within the range specified above should then be calculated.

5. Fully Contained Communities and Master Planned Resorts

A Master Plan review process and decision criteria for fully contained communities and master planned resorts should be incorporated in the County's comprehensive plan, must reflect the standards and requirements in the GMA, and in addition must address the following:

- a. Necessary public facilities, including but not limited to parks, schools, and public safety facilities should be provided within or along with the development, consistent with adopted capital facility and level of service standards;
- b. Impacts to public infrastructure, nearby communities, adjacent rural areas, environmental resources, and designated resource lands should first be avoided, second minimized, and third mitigated;
- c. Provisions for review of such developments through the KRCC process, in addition to other procedural requirements.

Under the Growth Management Act(RCW 350), fully contained communities (FCCs) may be considered, provided that a portion of the twenty-year population forecast is reserved for and subsequently distributed to the FCC. The GMA requires that FCCs provide for a mix of uses that would provide jobs, housing, and public facilities and services to support a long-term residential population.

The GMA (RCW 360) also allows the consideration of proposed master planned resorts (MPRs) outside of Urban Growth Areas for shorter-term residential uses. Master planned resorts are described as self-contained, fully integrated planned developments in areas with significant natural amenities.

Element C: Centers of Growth

Centers are intended to be compact and centralized working, shopping and/or activity areas linked to other Centers by transit. Centers and their boundaries are intended to be locally determined by the County and the Cities where a community-wide focal point can be provided, significant population and/or employment growth can be located, and the increased use of transit, walking and bicycling can be supported. Designated Centers are intended to define the pattern of future residential and commercial/industrial growth in Kitsap County.

Policies for Centers of Growth (C):

- 1. In decisions relating to population growth and resource allocation supporting growth, Centers have a high priority.**
- 2. In Kitsap County, the following Regional Centers are applicable:**

The Puget Sound Regional Council has defined several types of Regional Centers within Urban Growth Areas in the four-county planning region, with planning guidelines (*Vision 2020*, Appendix 1).

a. Regional Centers of Growth:

- i. Metropolitan Center: Bremerton including the Bremerton Naval complex. "Metropolitan Centers function as anchors within the region for a high density mix of business, residential, public, cultural and recreational uses, and day and night activity. They are characterized by their historic role as the central business districts of the major cities within the central Puget Sound region, providing services for and easily accessible to a population well beyond their city limits. Metro Centers may also serve national or international roles." (*Vision 2020*)
- ii. Urban Center: Silverdale Urban Core. In Kitsap County, Urban Centers are areas with the comprehensive planning to support a wide range of commercial, housing, and cultural choices. All areas of the Urban Center are serviced by transit throughout the day and much of the area is within walking or bicycling distance. Significant at in-fill opportunities exist with the highest residential, commercial, and employment densities expected.
- b. Regional Manufacturing/Industrial Centers: South Kitsap Industrial Area. "Regional Manufacturing/Industrial Centers are major, existing regional employment areas of intensive, concentrated manufacturing and industrial land uses which cannot be easily mixed at higher densities with other uses. To preserve land at these centers for manufacturing, industry and related uses, large retail uses or non-related offices are discouraged. Provision of adequate public facilities and services, including good access to the region's transportation system, is very important to the success of manufacturing/industrial centers." (*Vision 2020*)

3. The following are other types of centers within Kitsap County:

- a. Town or City Centers are usually the existing downtown core of a city or Urban Growth Area. There is an abundant mix of shopping, service, employment, and cultural opportunities. Multifamily housing may be intermixed and single family housing may be within walking or bicycling distance. Infill should include mixed use and higher densities surrounding the Town Center.
- b. Mixed Use Centers are a generic category that can be described in terms of neighborhoods or districts. The designation represents a commitment to planning for Center development, with a planned mix of housing, commercial, and employment opportunities. Most shopping and commercial uses are within a short walking or bicycling distance of housing. There is a higher proportion of multi-family housing at relatively high densities. Navy facilities could be considered for this designation.

- c. Activity and Employment Centers are areas of concentrated employment and are a magnet for significant numbers of people usually during daytime hours because of business and/or manufacturing activities. They may be located outside of Urban Growth Areas, consistent with the Growth Management Act. Industrial and business parks and Navy employment centers are in this category. Within Urban Growth Areas, the opportunity to include a proportional residential element should be determined on a case-by-case basis, considering the unique geography and economics of the area.
 - d. Transportation Hubs are locations of regional inter-modal connection that may be located outside of Urban Growth Areas. Examples are ferry terminals, the Bremerton National Airport, or certain transit stations.
- 4. For purposes of distributing countywide federal transportation funding, a process and criteria for designating local centers should be developed and coordinated through the Kitsap Regional Coordinating Council. The following should be included:**

- Current or programmed transportation resources (including roads, ferries, transit, airports, bicycle, pedestrian)
- Balance of employment opportunities with residential
- Proximity and connectivity among jobs, housing, retail services
- Types and density of residential uses
- Inclusion of affordable housing
- Provision of community gathering space, parks, and cultural opportunities

Element D. Rural Land Uses and Development Patterns

Rural areas of Kitsap County are characterized as having a variety of parcel sizes, with a diversity of land use activities. These areas also contain significant amounts of complex natural systems. It is a high priority to preserve and enhance the rural character of these areas. Counties are responsible for designating and regulating rural areas through the comprehensive planning process. However, rural preservation is a regional issue and it is important to coordinate these planning objectives with the Cities.

Policies for Rural Land Uses and Development Patterns (R):

1. Preserving rural character and enhancing the natural environment.

- a. Preserve the character of identified rural areas by protecting and enhancing the natural environment, open space and recreational opportunities, and scenic and historic areas; supporting small-scale farming and forestry uses; and permitting low-density residential living and cluster development maintained by rural levels of service. Support Rural Communities as locations for a mix of housing types, rural levels of service, cultural activities, and employment that serves the needs of rural areas.
- b. This policy is not intended to preclude the future designation of Urban Growth Areas.

2. Preserving rural land use and development patterns:

- a. **Rural Communities** are already-existing residential and commercial areas of more intensive rural development designated in the Kitsap County Comprehensive Plan under RCW 36.70A.070.5. In-fill is expected. Rural Communities should be serviced by transportation providers and other services consistent with the Levels of Service adopted by Kitsap County for roads and by Kitsap Transit for transit upon their designation as an area of more intensive rural development.
- b. **Transportation Hubs** may be located within existing areas of more intensive development. Walking, bicycling, and transit are the major forms of travel. Transportation Hubs are locations of regional intermodal connection. Examples are ferry terminals and transit stations with convenience services
- c. The County shall develop criteria consistent with the Growth Management Act for designating future industrial and commercial development outside of Urban Growth Areas that protect rural character while encouraging vehicle trip reduction. The criteria should allow for industrial resource-based land use and recreation and for convenience commercial that is scaled to serve the daily needs of rural residents.

3. Establishing and maintaining rural levels of service:

- a. Rural level-of-service standards shall address sewage disposal, water, transportation and other appropriate services. The standards shall be developed based upon levels of service typically delivered in rural areas consistent with RCW 36.70A.030 (16).
- b. For purpose of trip reduction, develop a range of alternative modes of transportation consistent with rural levels of service to connect Rural Communities with urban Centers.
- c. When sewers need to be extended to solve isolated health, environmental, and sanitation problems, they shall be designed for limited access so as not to increase the development potential of the surrounding rural area.

4. Conserving small-scale natural resource use in rural areas:

- a. Rural land use designations in the County's Comprehensive Plan should support rural uses such as farming, forestry, mining, recreation, and other rural activities, and permit a variety of low-density residential uses which preserve rural character, and can be sustained by rural service levels.
- b. The County's Comprehensive Plan policies shall promote clustering residential development and other techniques to protect and enhance significant open spaces, natural resources, and critical areas for more efficient use of the land. Clustering should not increase residential housing units in the overall area designated as rural, consistent with designated rural densities. Development clusters shall be designed, scaled and sited in a manner consistent with rural character and the provision of rural levels of service.
- c. The County's Comprehensive Plan policies shall support Rural Communities as locations of employment, a mix of housing types, and cultural activities for rural areas that primarily function as locations for service needs such as grocery stores, shopping, and community services, and small-scale cottage industries for the surrounding rural area.

Element E. Countywide Strategies for Open Space Preservation, Resource Preservation, and Critical Areas

Open space is defined as land area consisting of natural systems, resource lands and critical areas that include building limitations for future development. These critical areas include wetlands, wildlife conservation areas, steep slopes, frequently flooded areas and areas with a critical recharging affect. These open space lands also include aesthetic functions such as view sheds of the water or ridgelines. Many of these natural systems are inter-connected and cross multi-jurisdictional boundaries within the County. The strategy is to conserve these areas and connect them to create a regional open space network to protect critical areas, conserve natural resources, and preserve lands and resources of countywide and local significance

Policies for Open Space Preservation, Resource Protection, and Critical Areas (PPCA):

1. Creating a regional network of open space:

- a. The County and the Cities shall implement the Kitsap County Open Space Plan and the Kitsap County Consolidated Greenway Plan which identify a countywide green space strategy that incorporates planning efforts of the County, Cities, state agencies, non-profit interest groups and land trusts in the County.
- b. The County and the Cities shall preserve and enhance, through inter-jurisdictional planning, significant networks and linkages of open space, regional parks and public/private recreation areas, wildlife habitats, critical areas resource lands, water bodies and trails.
- c. The County and the Cities shall frame and separate urban areas by creating and preserving a permanent network of urban and rural open space, including parks, recreation areas, critical areas and resource lands.

2. Conserving and enhancing the County's natural resources, critical areas and environmental amenities while planning for and accommodating sustainable growth:

- a. The County's and the Cities' Comprehensive Plans shall each address regional air and water quality protection.
- b. The County and the Cities shall protect critical areas (wetlands, aquifer recharge areas, fish and wildlife habitat conservation areas, frequently flooded areas, steep slopes, and geologically hazardous areas) and other environmental amenities such as view corridors, canopy cover, and ridgelines.
- c. The County and the Cities shall establish and implement Best Management Practices to protect the long-term integrity of the natural environment, adjacent land use, and the productivity of resource lands.
- d. The County and the Cities shall establish procedures to preserve significant historic, visual and cultural resources including views, landmarks, archaeological sites, and areas of special locational character.
- e. The County and the Cities shall encourage the use of environmentally sensitive development practices to minimize the impacts of growth on the County's natural resource systems.
- f. The County and the Cities shall work together to identify, protect, and restore networks of natural habitat areas and functions that cross-jurisdictional boundaries.
- g. The County and Cities shall protect and enhance ecosystems that support Washington State's Priority Habitat and Species as identified by the Washington Department of Fish and Wildlife.

- f. All jurisdictions shall maintain or enhance water quality through control of runoff and use of best management practices to protect aquatic resources.

3. Listed species recovery under the Endangered Species Act (ESA):

- a. The County and the Cities shall preserve, protect, and where possible restore the functions of natural habitat to support ESA-listed species, through the adoption of comprehensive plan policies, critical area ordinances, shoreline master programs and other development regulations that seek to protect, maintain or restore aquatic ecosystems associated habitats and aquifer through the use of management zones, development regulations, incentives for voluntary efforts of private landowners and developers, land use classifications or designations, habitat acquisition programs or habitat restoration projects.
- b. The County and the Cities shall provide incentive-based non-regulatory protection efforts such as acquisition of priority habitats through fee-simple and conservation easements from willing sellers.
- c. The County and the Cities shall jointly establish and implement monitoring and evaluation program to determine the effectiveness of restoration, enhancement, and recovery strategies for salmon including ESA-listed species. Each jurisdiction shall apply an adaptive management strategy to determine how well the objectives of listed species recovery and critical habitat preservation/restoration are being achieved.

4. Coordination of watershed and land use planning:

- a. The County and the Cities shall participate in a planning program that determines changes in stream hydrology and water quality under different land use scenarios at full build-out of designated land use classifications.
- b. The County and the Cities shall coordinate land use planning using watersheds or natural drainage basins to implement strategies for restoration of aquatic habitat and to reduce impacts to other natural systems.
- c. Kitsap County shall coordinate and maintain a regional database of best available science for the purpose of modifying Critical Areas Ordinances, if funding is available.
- d. Upon adoption of a state classification system, the Cities and the County shall establish a single system for stream typing.

Element F. Contiguous and Orderly Development

Upon designation of Urban Growth Areas, the County and Cities will need to develop consistent implementation measures to ensure that development occurs in an orderly and contiguous manner. The intent of the following countywide planning policies is to minimize differences in urban development regulations and standards between the County and the Cities and to facilitate the economical provision of urban services to development.

Policies for Contiguous and Orderly Development (COD):

1. Encouragement of cooperative inter-jurisdictional planning by federal, tribal, state, local, and special purpose government:

- a. Inter-jurisdictional discussion, information exchange, and coordination of proposals shall be initiated as early and expeditiously as possible by the responsible agencies.
- b. Initial inventories and analyses of utilities and public services information are critical to the planning process and shall be made available as early and expeditiously as possible by the responsible agencies.
- c. The Kitsap Regional Coordinating Council may establish or designate on-going technical committee(s) comprised of representatives from utilities and service providers to investigate long-range regional needs for various facilities and services, including but not limited to those for transportation, sewer and storm drainage, availability and delivery of potable water, solid waste, broadband, parks and recreation, and open space.
- d. The Countywide Planning Policy will further the implementation of Vision 2020 and Destination 2030 as adopted by the Puget Sound Regional Council.

2. Inter-regional coordination of land use and transportation planning:

- a. The County and the Cities shall participate in the Puget Sound Regional Council and the Peninsula Regional Transportation Planning Organization.
- b. Locally-generated data shall be provided to the Puget Sound Regional Council and the Peninsula Regional Transportation Planning Organization for use in their coordination of population forecasts, land use, and transportation.
- c. The planning proposals of these regional organizations shall be monitored and adjustments recommended to ensure that they accurately reflect local needs and plans.

3. Fiscal equity:

- a. It is recognized that fiscal disparities exist as a result of growth and changes in municipal boundaries. The Kitsap Regional Coordinating Council shall monitor the Revenue Sharing Inter-local Agreement among the County and Cities (shown as Appendix D) and seek additional ways to address fiscal disparities as they relate to promoting coordinated development and the implementation of the Growth Management Act.
- b. The County and the Cities shall work together to insure that all fees associated with development approval are based upon the real cost of service and act to encourage development within designated Urban Growth Areas.
- c. The Kitsap Regional Coordinating Council shall facilitate on-going regional discussion on revenue equity issues.

Element G. Siting Public Capital Facilities of a Countywide or Statewide Nature

The Growth Management Act requires local governments to inventory existing capital facilities owned by public entities, to identify locations and to determine capacities to meet future demand for growth without decreasing levels of service. The Washington State Office of Financial Management is responsible for identifying and maintaining a list of essential state public facilities that are required or likely to be built within the next six years as required by the Growth Management Act. Counties and cities are also required to coordinate the siting of countywide and statewide capital facilities to mitigate potential adverse impacts from the location and development of these facilities.

Policies for Siting Public Capital Facilities (CF):

1. Identification of needed capital facilities:

- a. The County and the Cities shall each inventory their existing capital facilities and identify needed facility expansion and construction and provide that data to the Kitsap Regional Coordinating Council.
- b. The Kitsap Regional Coordinating Council shall develop and maintain a list of public capital facilities needed to serve Kitsap County as a whole, based upon the County and Cities' Comprehensive Plans, the Countywide Coordinated Water System Plan, and other appropriate system plans. These include, but are not limited to, solid and hazardous waste handling facilities and disposal sites, water and wastewater treatment facilities, regional water supply intertie facilities, regional education institutions, airports, local correctional facilities, in-patient facilities including hospitals and regional park and recreation facilities, and government buildings that serve Kitsap County as a whole, including those essential public facilities as defined in RCW 36.70A.200.

2. Establishing a process and review criteria for the siting of facilities that are of a countywide or statewide nature:

- a. When essential public facility as defined in RCW 36.70A.200 is proposed in Kitsap County, the Kitsap Regional Coordinating Council shall appoint a Facility Analysis and Site Evaluation Advisory Committee composed of citizen members selected by the member jurisdictions to represent a broad range of interest groups to evaluate proposed public facility siting. At a minimum this evaluation shall consider:
 - i. the impacts created by existing facilities;
 - ii. the potential for reshaping the economy, the environment and community character;
 - iii. the development of specific siting criteria for the proposed project, giving priority consideration to siting within Designated Centers;
 - iv. the identification, analysis and ranking of potential project sites;
 - v. measures to first minimize and second mitigate potential physical impacts including, but not limited to, those relating to land use, transportation, utilities, noise, odor and public safety;
 - vi. measures to first minimize and second mitigate potential fiscal impacts.
- b. Certain public capital facilities such as schools and libraries that generate substantial travel demand should be located first in Designated Centers or, if not feasible to do so, along or near major transportation corridors and public transportation routes.

- c. Some public capital facilities, such as those for waste handling, may be more appropriately located outside of Urban Growth Areas due to exceptional bulk or potentially dangerous or objectionable characteristics. Public facilities located beyond Urban Growth Areas should be self-contained or be served by urban governmental services in a manner that will not promote sprawl. Utility and service considerations must be incorporated into site planning and development.
- d. Uses shall adhere to local health district or state agency rules regarding commercial and industrial use of on-site sewage systems.
- e. The multiple use of corridors for major utilities, trails and transportation rights-of-way is encouraged.
- f. County and City comprehensive plans and development regulations shall not preclude the siting of essential public facilities.
- g. Public facilities shall not be located in designated resource lands, critical areas, or other areas where the siting of such facilities would be incompatible.

3. Air transportation facilities in Kitsap County:

- a. The Counties and the Cities shall recognize the importance of airports as essential public facilities and the preservation of access to the air transportation system.
- b. The County and the Cities shall ensure the safety of the community and airport users through compatible land use planning adjacent to airports and coordination of the airport with ground access. Examples would include not encouraging or supporting higher residential densities, schools, or hospitals near airports or airport approach corridors.
- c. The County and the Cities shall plan for heliports throughout Kitsap County for emergency use.

Element H. Transportation

The Growth Management Act requires that transportation planning be coordinated among local and state jurisdictions. The Growth Management Act further requires that transportation planning be coordinated with the land use elements of local comprehensive plans, Coordination of land use and transportation plans will allow Kitsap County and the Kitsap Cities to meet three inter-related transportation goals:

- o Serve Designated Centers to reduce sprawl, conserve land and make more efficient use of infrastructure,
- o Preserve the natural environment, including water and air quality,
- o Provide a balanced system for the efficient, safe movement of people, goods and services among Designated Centers within Kitsap County and the larger Puget Sound region.–

The intent of the following policies is to define appropriate methods and strategies to achieve these goals through inter-regional and intra-regional coordination among transportation and land use planning agencies.

For the purpose of this Policy, the following transportation facilities are of countywide significance:

- a. state and federal highways;
- b. major arterials;
- c. public transit facilities and services;
- d. non-motorized facilities connecting designated centers;
- e. marine transportation facilities (ferries, shipping);
- f. airports and heliports (passenger and/or freight);
- g. rail facilities (passenger and/or freight)

The following facilities and system components should be included in the multi-modal network:

- a. roads, including major highways, arterials and collectors;
- b. public transit, including bus, rail, and park & ride lots;
- c. non-motorized facilities;
- d. vehicle and public or private passenger only ferries;
- e. airports;
- f. parking facilities that support the multi-modal network;
- g. facilities related to transportation demand management;
- h. intelligent transportation systems (ITS).

Policies for Transportation (T):

1. Strategies to optimize and manage the use of transportation facilities and services:

- a. The County and the Cities shall each emphasize the maintenance and preservation of their existing transportation network.
- b. Through the regular update of the Transportation Element of their Comprehensive Plan, the County and the Cities should each identify and prioritize operational and safety deficiencies.
- c. The County and the Cities should utilize Transportation System Management strategies such as parking restrictions, traffic signal coordination, transit queue jumps (traffic signal modification equipment that allows busses to move ahead of other vehicles), ramp metering, striping non-motorized transportation facilities, and real time sensor adjustments for traffic signals.

- d. The County and the Cities should develop and implement access management regulations that provide standards for driveway spacing and delineation and encourage the joint use of access points where practical.
- e. The County and the Cities shall actively seek opportunities to share facilities, expertise, and transportation resources, such as multiple use park & ride/parking lots or shared traffic signal maintenance responsibility.

2. Reducing the rate of growth in auto traffic, including the number of vehicle trips, the number of miles traveled, and the length of vehicle trips taken, for both commute and non-commute trips:

- a. The County and the Cities shall provide both infrastructure and policy incentives to increase the use of non-SOV modes of travel.
 - i. The range of infrastructure incentives to encourage the use of non-SOV modes of travel could include the following:

- Provide public transit, including preferential treatments for transit, such as queue by-pass lanes (dedicated bus lanes that allow for transit queue jumps), traffic signal modifications, and safe, transit stops;
- Provide integrated transfer points to facilitate seamless trips between transit and other modes of travel, particularly at ferry terminals, including park & ride lots, bike storage facilities, carpool/vanpool and transit advantages to ease ingress/egress, with proximity to actual connection points, and innovative transit-oriented development;
- Provide non-recreational bicycle and pedestrian facilities, including safe neighborhood walking and biking routes to school;
- During the development of all state, county, and city highway capacity improvement projects, consider the market for non-SOV travel, and the addition of High Occupancy Vehicle (HOV) lanes, park & ride lots, appropriate infrastructure for both bicycling and walking;

- ii. The range of policy incentives to encourage the use of non-SOV modes of travel could include the following:

- Increased emphasis on the Commute Trip Reduction Program already in place (including ridesharing incentives), with Kitsap Transit designated as the lead agency, including program promotion and monitoring;
- Managed parking demand at ferry terminals, employment, and retail centers to discourage SOV use through privileged parking for HOV users, fee structure and parking space allocations;
- Encouraging telecommuting and home-based businesses as a viable work alternative;
- Encouraging the shift of work and non-work trips to off-peak travel hours;
- Congestion pricing;
- Auto-restricted zones.

Since 1980, the total number of vehicle miles traveled in the Puget Sound Region has grown twice as fast as employment and four times as fast as population. While it has been fueled by a number of factors, trying to meet this escalating demand for vehicle travel would require financial resources far beyond existing funding sources, with substantial negative environmental impacts. The shift of travel trips from single occupant (SOV) to high occupant vehicles (HOV) and from vehicles to non-motorized modes will benefit air quality and the level of traffic congestion.

- Promotion of driver awareness through educational efforts.
- d. The County and the Cities shall develop standards that address appropriate bicycle and pedestrian facilities for development of new streets and reconstruction of existing streets in Designated Centers and Rural Communities.
- e. In Designated Centers, the jurisdictions should complete missing vehicular and non-motorized links between key arterials to accommodate pedestrian and bicycle facilities, without compromising safety standards.
- f. The County and the Cities should develop coordinated bicycle and pedestrian systems or plans, which should be consistent across jurisdictional boundaries with particular consideration to providing safe routes for children to walk and to bike to school.
- g. In cases of substantial residential or commercial development, Kitsap Transit shall review and comment on development proposals to facilitate convenient use and operation of appropriate transit services.

3. Environmental impacts of transportation policies:

- a. Transportation improvements shall be located and constructed so as to discourage/minimize adverse impacts on water quality and other environmental features.
- b. The County, the Cities, and Kitsap Transit shall consider programming capital improvements and transportation facilities that alleviate and mitigate impacts of land use on air quality and energy consumption, such as: high-occupancy vehicle lanes; public transit; vanpool/ carpool facilities; electric and other low emission vehicles including buses; bicycle and pedestrian facilities that are designed for functional transportation.
- c. The County and the Cities shall ensure environmental protection, water quality, and conformance with ESA requirements through best management practices throughout the life of the transportation facilities, including:
 - i. Facility design, and in particular collection and treatment of storm water and surface run-off;
 - ii. Avoiding construction during the rainy season;
 - iii. Regular and routine maintenance of systems.
- d. The County, the Cities, and Kitsap Transit should support Puget Sound Clean Air Agency public education about anti-pollution measures.

4. Recognizing that the County and the Cities each encompass a range of development and density patterns, each jurisdiction shall designate its Centers consistent with the criteria set forth in Element C of the Countywide Planning Policy. The following policies relate to planning guidelines to support transit and pedestrian travel appropriate to each type of urban and rural development or re-development:

- a. The County and the Cities shall each prepare development strategies for their Designated Centers that encourage focused mixed use development and mixed type housing to achieve densities and development patterns that support multi-modal transportation.
- b. In Urban Growth Areas, comprehensive plans should promote pedestrian- and transit-oriented development that includes access to alternative transportation and, in the interest of safety and convenience, includes

features, such as lighting, pedestrian buffers, sidewalks, and access enhancements for physically challenged individuals.

- c. Rural Communities outside Urban Growth Areas shall accommodate appropriate pedestrian/bicycle connections and transit service and facilities consistent with rural levels of service in order to minimize vehicle trips.

5. Transportation linkages between designated local and regional Centers:

- a. Regional corridors shall be designated for automobile, freight, transit, HOV facilities, rail, marine, bicycle, and pedestrian travel between centers as part of the countywide transportation plan.
- b. The transportation system linking Designated Centers within the county shall be transit-oriented and pedestrian and bicycle friendly.

6. Freight transportation:

- a. Preferred routes for the movement of freight shall be identified as part of the countywide transportation plan.
- b. The County and the Cities shall work to ensure that compatible land uses are applied along designated freight corridors; including, but not limited to, corridors for air, rail, road and marine traffic.
- c. The County and the Cities shall use appropriate roadway standards for designated freight corridors.

7. Transportation relationships with the Puget Sound Regional Council and the Peninsula Regional Transportation Planning Organization:

- a. The Countywide Planning Policy shall further the implementation of Vision 2020 and Destination 2030 as adopted by the Puget Sound Regional Council.
- b. The County and the Cities shall actively participate in the Puget Sound Regional Council and the Peninsula Regional Transportation Planning Organization (RTPO) to assure that transportation planning in the two regions is consistent and accurately reflects local needs related to identified regional system components.
- c. The Kitsap Regional Coordinating Council shall serve as the point of coordination to assure Puget Sound Regional Council and Peninsula RTPO planning programs are consistent and mutually beneficial to jurisdictions within Kitsap County.
- d. The Transportation Improvement Program (TIP) for Kitsap County shall continue to be a part of the regional TIP adopted by the Puget Sound Regional Council. Local review, comment and recommendations shall be coordinated through the Kitsap Regional Coordinating Council.

8. Identification of needed transportation related facilities and services within Kitsap County:

- a. The Puget Sound Regional Council and the Peninsula RTPO shall identify regional system components and related improvements within Kitsap County with the concurrence of the Kitsap Regional Coordinating Council.
- b. A countywide transportation plan developed by the Kitsap Regional Coordinating Council shall be prepared pursuant to the Growth Management Act to identify countywide transportation facility and service needs. A technical committee including transit and local, regional, and state transportation providers shall be used in this process.

9. Coordination of intra-county transportation planning efforts:

- a. The Puget Sound Regional Council reviews Cities' and the County's Comprehensive plans for consistency of land use and transportation elements.
- b. The County and the Cities shall address compatibility between land use and transportation facilities by:
 - i. Not using new road improvements to justify land use intensification;
 - ii. Managing access on new transportation facilities outside Urban Growth Areas;
 - iii. Allowing phased development of improvements including acquiring right of way;
 - iv. Using comprehensive plans and development regulations to ensure that development does not create demands exceeding the capacity of the transportation system, such as: density limits in areas outside of Urban Growth Areas; concurrency management and adequate public facility regulation; integrated multi-modal and non-motorized networks.
- c. The County and the Cities shall work together in a coordinated, iterative process to periodically reassess whether regional land use and transportation goals can realistically be met. If transportation adequacy and concurrency cannot be met, the following actions should be considered:
 - i. Adjust land use and/or level of service (LOS) standards;
 - ii. Make full use of all feasible local option transportation revenues authorized but not yet implemented; and
 - iii. Work with Washington State Department of Transportation (including Washington State Ferries), Kitsap Transit, and the private sector to seek additional State transportation revenues, state and federal grants for infrastructure improvements, and local options to make system improvements necessary to accommodate projected population growth.
- d. Adjacent jurisdictions in Kitsap County shall develop consistent street classification system and street standards.
- e. Kitsap Regional Coordinating Council may establish a process for evaluating development impacts including those that may affect neighboring jurisdictions within the county.
- f. The Kitsap Regional Coordinating Council shall function to ensure that transportation planning, system management and improvements at local, regional, and state levels are coordinated, complementary, and consistent with adopted comprehensive land use plans.

10. Coordinated and consistent level of service (LOS) standards:

- a. The County and the Cities should develop comparable level of service standards among the County, Cities and the State of Washington for identified regional system components.
- b. The County and the Cities shall adopt roadway LOS standards. Urban growth management agreements shall designate level of service standards.
- c. The County and the Cities shall adopt transit LOS in the form of "Service Standards" adopted by the Kitsap Transit Board of Commissioners. The standards shall consider both frequency of service and bus capacity.

- d. Consistent with State law, the County and Cities shall recognize the Level of Service Standards for Highways of Statewide Significance, including principal arterial ferry routes, that have been adopted by the Washington State Transportation Commission, in their respective Comprehensive Plans.
- e. For State highways and facilities of regional significance, including the Southworth ferry route, the County and the Cities shall include the Level of Service Standards adopted for these routes by the Puget Sound Regional Council and the Peninsula RTPO in their respective Comprehensive Plans.
- f. On highways and streets which are subject to concurrency requirements, the County and the Cities shall each identify capacity deficiencies and either address them in terms of identified funding, adjust the LOS standard on a temporary basis, or place a temporary moratorium on development.
- g. On highways and streets which are subject to concurrency requirements, new development should not cause LOS to degrade to a level lower than the adopted standard, consistent with State law.

Element I. Affordable Housing

The Growth Management Act requires cities and counties to encourage the availability of housing that is affordable for all income levels at a variety of housing densities. Local jurisdictions are also encouraged to preserve existing housing resources in their communities.

The following definitions relate to the Countywide Planning Policy:

Below Market Rate Housing shall mean housing intended for low-to-middle income households. These income levels are further defined as follows (WAC 365.195):

- **Extremely low-income** shall mean those households that have incomes that are at or below 30% of the countywide median.
- **Very low-income** shall mean those households that have incomes that are within the range of 31 - 50% of the countywide median.
- **Low-income** shall mean those households that have incomes that are within the range of 51 - 80% of the countywide median.
- **Moderate-income** shall mean those households that have incomes that are within the range 81-95% of the countywide median.
- **Middle-income** shall mean those households that have incomes that are within the range of 96-120% of the countywide median.

Market Rate Housing shall mean housing intended for households with incomes that are greater than 120% of the countywide median.

Policies for Affordable Housing(AH):

- 1. Coordinated process among County, Cities, and housing agencies for determining and fulfilling housing needs, and the equitable distribution of below market rate housing in Kitsap County:**
 - a. The County and the Cities should inventory the existing housing stock consistent with the Growth Management Act following each decennial census review, and correlate with current population and economic conditions, past trends, and ten year population and employment forecasts, to determine short and long range housing needs, including rental and home ownership. Navy personnel housing policy should also be considered.
 - b. Recognizing the percentage share of the existing and forecasted countywide population and the distribution of existing below market rate housing, the County and the Cities should develop strategies to equitably disperse projected countywide below market rate housing needs throughout Kitsap County in the Urban Growth Areas and, where they are specifically found to be appropriate in consideration of existing development patterns and densities, in designated Rural Communities.
 - c. Local housing inventories, projections, and equitable distribution strategies should be compiled, updated, and monitored under the coordination of the Kitsap Regional Coordinating Council to identify countywide conditions and projected needs.

- d. The County and the Cities should each identify specific policies and implementation strategies in their Comprehensive Plans and should enact implementing regulations to provide a mix of housing types and costs to achieve identified goals for both market rate and below market rate housing.
- 2. Recognizing that the market place makes adequate provision for those in the upper economic brackets, each jurisdiction should consider some combination of appropriately zoned land, regulatory incentives, financial subsidies, and innovative planning techniques to make adequate provisions for the needs of middle and lower income persons. (WAC 365.195-070.6)**
- 3. Provision of below market rate housing:**
- a. Local comprehensive plan policies and development regulations shall encourage and not exclude below market rate housing.
 - b. Below market rate housing strategies should include:
 - i. preservation, rehabilitation and redevelopment of existing neighborhoods as appropriate, including programs to rehabilitate substandard housing;
 - ii. provision for a range of housing types such as multi-family, single family, accessory dwelling units, cooperative housing, and manufactured housing on individual lots and in manufactured housing parks;
 - iii. housing design and siting compatible with surrounding neighborhoods;
 - iv. mechanisms to help people purchase their own housing, such as low interest loan programs, "self-help" housing, and consumer education.
 - c. Each jurisdiction shall promote the development of below market rate housing in a dispersed pattern so as not to concentrate or geographically isolate low-income housing in a specific area or community.
 - d. Below market rate housing should be located throughout Kitsap County in a manner to provide easy access to transportation, employment, and other services. Designated Centers should include below market rate housing. Rural self- help housing programs should be encouraged either in or outside of designated Rural Communities.
 - e. Housing policies and programs shall address the provision of diverse housing opportunities to accommodate the homeless, the elderly, physically or mentally challenged, and other segments of the population that have special needs.
 - f. Innovative regulatory strategies shall be developed and implemented to provide incentives for the development of below market rate housing within Designated Centers. Jurisdictions shall develop strategies which provide a wide range of opportunities for promoting the production of below market rate housing through means such as: reducing housing cost by subsidizing utility hook-up fees and rates, impact fees, and permit processing fees; density incentives; smaller lot sizes; zero lot line designs; inclusionary zoning techniques, such as requiring below-market rate housing in new residential developments; transfers of development rights and/or a priority permit review and approval process.
 - g. Policies and regulations shall encourage the production of below market rate housing. The County and the Cities shall incorporate a regular review of public health and safety regulations pertaining to housing implementation strategies to assure that protection of the public health and safety remains the primary purpose for housing standards.

- h. The County and the Cities shall participate with housing authorities established to facilitate the production of below market rate housing. The County and the Cities shall also recognize and support other public and private not-for-profit housing agencies. Supporting housing agencies is encouraged through public land donations, guarantees, suitable design standards, tax incentives, fee waivers, providing access to funding sources and support for funding applications, or other provisions as appropriate.

Element J. Countywide Economic Development

Growth Management Act requires that general economic development policies be identified in the Countywide Planning Policy process. Consistent with the goals of the Act, economic development planning must be coordinated with local comprehensive plans. The intent of the following policies is to encourage coordinated economic growth among all jurisdictions in Kitsap County and to add predictability and certainty to the private investment decision.

Policies for Countywide Economic Development (ED):

1. A general strategy for enhancing economic development and employment:

- a. The County and the Cities recognize that a healthy economy that provides opportunities for diverse segments of the community is important to the quality of life in the county. Economic development should be balanced with environmental concerns and protect the quality of life.
- b. The County and the Cities recognize that the economy in Kitsap County is very dependent on the U.S. Navy and diversification is necessary. The County and the Cities shall collaborate with ports, tribes, and other special districts to encourage economic growth and diversification that is consistent with comprehensive plans and policies for land use, transportation, public transit, regional water supply, capital facilities, urban governmental services and environmental quality.
- c. Local governments are encouraged to utilize the Economic Development Council as a resource to provide advice on economic development needs, the potential for retaining and expanding existing industries, including the U.S. Dept. of Defense, and attracting new industries, especially those that would improve wage and salary levels, increase the variety of job opportunities, and utilize the resident labor force.
- d. The County and the Cities recognize that widespread access to broadband capability will enhance economic development in Kitsap County. Local governments are encouraged to collaborate with the Economic Development Council to promote the expansion of telecommunications in Kitsap County and to coordinate telecommunications policy with regional and federal agencies, including public utility districts, Bonneville Power Administration, regional transportation planning organizations, and neighboring counties.
- e. Efforts of educational institutions to improve and expand vocational and post-secondary education programs should be supported to assure a highly skilled, technically trained resident work force.

2. The role of government agencies in assuring coordinated, consistent efforts to promote economic vitality and equity throughout Kitsap County:

- a. The County and the Cities shall promote Urban Growth Areas and existing industrial sites as centers for employment.
- b. The County and the Cities shall encourage the full utilization/development of designated industrial and commercial areas. The County and the Cities shall promote revitalization within existing developed industrial and commercial areas to take advantage of the significant investments in existing buildings and infrastructure.
- c. The County and the Cities shall cooperate with tribes, ports, other special districts, and all economic development interests to identify the capital facility needs of designated industrial and commercial sites and investments to support economic development.

- d. The County and the Cities shall collaborate with tribes, ports, and other special districts to identify innovative development methods such as public and private partnerships and community development assistance financing to increase economic vitality.
- e. The County and the Cities shall collaborate with the EDC and the Ports to establish a common method to monitor the supply of designated commercial and industrial sites and to ensure adequate land supply for the expansion of existing enterprises and the establishment of new economic enterprises. The monitoring method shall indicate environmental constraints, infrastructure availability and capacity, and shall use the Kitsap County Geographic Information System and Land Capacity Analysis as a regional database for this information.
- f. The County and the Cities shall establish common infrastructure policy and standards, including telecommunications infrastructure.
- g. The Kitsap Regional Coordinating Council shall coordinate the development of land supply monitoring methods, common infrastructure policy and standards, and other strategies among the County, the Cities, Tribes, Ports, and other special districts to encourage economic development in Kitsap County.
- h. The County and the Cities shall each establish and monitor a development review process that is timely, predictable, efficient, fair, and consistent.
- i. Where more than one jurisdiction is involved in planning and permitting a business development, the jurisdictions shall work collaboratively to provide consistent development regulations and permitting.
- j. The County and the Cities shall encourage small business enterprises and cottage industries, and allow appropriate and traditional home occupations as permitted by local regulations.

Element K. An Analysis of the Fiscal Impact

Communities must be able to fully evaluate the implications of policies and actions to determine the impact on physical and public finance resources. The State Environmental Policy Act of 1971 created a process for analyzing human and physical environmental impacts. Fiscal impacts, however, have not been as universally identified and considered. This policy element required by the GMA is vague, allowing local governments to determine the scope of the fiscal impact analysis. The focus of the policies in this section is directed toward the implementation of the Countywide Planning Policy and actions that may occur as a result of these guidelines.

Policies for Analysis of Fiscal Impact (FI):

- 1. The Kitsap Regional Coordinating Council shall work to develop a process for use by local governments to facilitate the identification, analysis and disclosure of the fiscal impacts of major development proposals and governmental actions. The process shall address fiscal impacts, including tax revenue and service cost implications, of the following:**
 - a. Proposed changes in municipal boundaries, including annexations, partial disincorporation and incorporation;
 - b. Proposed changes in an urban growth area boundary;
 - c. Proposed new fully contained communities;
 - d. Proposed master planned resorts;
 - e. Proposed public facilities and services;
 - f. Other proposals as determined by the local government having lead agency status under the provisions of the State Environmental Policy Act.

Element L. Coordination with Tribal Governments

The Suquamish Tribe, the Port Gamble S'Klallam Tribe, and other federally recognized Indian tribes have reservations and/or trust resources within Kitsap County, Washington. These tribes are parties to treaties with the United States Government through which certain rights and privileges both on and off reservation were articulated and remain in effect. These tribes have authorities, responsibilities, interests and treaty rights within their respective reservation boundaries and Usual and Accustomed Areas. Since future growth and land use decisions in Kitsap County affect all governmental entities, governmental agencies must be well informed and continuously involved in regional and local planning.

Policies for Coordination with Tribal Governments (CT):

1. Meaningful and substantial opportunities for early and continuous tribal government participation shall be incorporated into regional and local planning activities.
2. Local jurisdictions should work with the tribes to develop agreements that provide for discussion on comprehensive planning issues among governments and ensure that the tribes are consulted on issues within their interest. The parties will jointly determine the appropriate contents of the agreements and a schedule for completing them.
3. Tribal governments, federal agencies, and county and local governments are encouraged to coordinate plans among and between governments and agencies to address substantive areas of mutual interest especially where geographical areas overlay and promote complementary and cooperative efforts.
4. City and County governments are encouraged to include Tribal governments in joint comprehensive planning and development activities for areas within the Tribes' Usual and Accustomed areas. Activities include but are not limited to the establishment and revision of urban growth boundaries, distribution of forecasted population; regional transportation, capital facility, housing and utility plans; and policies that may affect natural and/or cultural resources.
5. All County, City, and Tribal government agencies shall be included in the normal public notice and comment procedures of other agencies and kept informed of matters of interest to them.
6. The County, the Cities, and Tribal governmental agencies are encouraged to keep one another informed about matters of local and regional interest by mutually agreeable means and schedule.

Element M. Coordination with Federal Government including Navy

The federal government has unique authorities, responsibilities, interests affecting land use and other activities. Since the impacts of future growth and development in Kitsap County affect all governmental entities, governmental agencies must be well informed and continuously involved in regional and local planning.

Policies for Coordination with Federal Government (CF):

1. Meaningful and substantial opportunities for early and continuous federal government participation shall be incorporated into regional and local planning activities.
2. It is recognized that constitutional and statutory provisions may constrain federal government agencies from entering into local agreements and processes. However, when possible, the County, the Cities, and federal governments should establish intergovernmental cooperative agreements promoting coordination and involvement in activities that are of mutual interest.
3. Federal agencies and county and local governments are encouraged to coordinate plans among and between governments and agencies to make plans as consistent and compatible as possible for properties over which they have authority or activities they authorize and the adjacent areas affected.
4. Federal government agencies are encouraged to participate in City, County, and joint comprehensive planning and development activities that may affect them, including the establishment and revision of urban growth areas encompassing, adjacent to or within federally-owned lands; distribution of forecasted population; regional transportation, capital facility, housing and utility plans; and policies that may affect natural and/or cultural resources of interest.
5. The following policies relate to promoting coordination among the Cities, County, and the federal government including the Navy:
 - a. All jurisdictions should promote planning that considers the impact of new growth to avoid the potential for encroachment on military readiness activities as described below when developing zoning ordinances or designating land uses affecting military facilities. Each jurisdiction and the Navy should coordinate to identify the types of development and areas of interest to the Navy, method of notice, and opportunities for comment.
 - b. "Military readiness activities" mean all of the following:
 - i. Training, support, and operations that prepare the men and women of the military and Naval ships and submarines for combat.
 - ii. Operation, maintenance, and security of any military installation.
 - iii. Testing of military equipment, vehicles, weapons, and sensors for proper operation or suitability for combat use.
 - c. "Impacts" include but are not limited to:
 - i. Aircraft, boat, and rail traffic.
 - ii. Incompatible adjacent land uses.
 - d. Through the Kitsap Regional Coordinating Council, jurisdictions should monitor issues that arise in implementing these policies, and should identify areas for improved coordination.
6. All County, City, and federal governmental agencies shall be included in the normal public notice and comment procedures of other agencies and kept informed of matters of interest to them.
7. The County, the Cities, and federal governmental agencies are encouraged to keep one another informed of matters of local and regional interest by mutually agreeable means and schedule.

Element N. Roles and Responsibilities

The County, Cities, Tribal governments, and special districts are all involved in planning activities related to their statutory authority and responsibility. In addition to the responsibilities defined in previous countywide planning policies, this section further clarifies the planning roles and responsibilities of the KRCC and member agencies.

Policies for Roles and Responsibilities (RR):

- 1. The KITSAP REGIONAL COORDINATING COUNCIL was established by interlocal agreement (see Appendix E) to assure coordination, consensus, consistency, and compliance in the implementation of the Growth Management Act and comprehensive planning by County, city and tribal governments within Kitsap County. The Kitsap Regional Coordinating Council also provides a voice for all jurisdictions and opportunity for citizens and stakeholders to provide input to planning policies to be applied countywide. The interlocal agreement adopted by the County, the Cities and the Tribal governments declared that the Kitsap Regional Coordinating Council is necessary to maintain a regular intergovernmental communication network for all local and tribal governments within the county, facilitate compliance with the coordination and consistency requirements of the Growth Management Act, provide an effective vehicle to resolve conflict among and/or between jurisdictions with respect to urban growth boundaries or comprehensive plan consistency, and to build consensus on planning solutions for countywide growth management issues. The Kitsap Regional Coordinating Council shall:**
 - a. submit agreed-upon recommendations on behalf of member jurisdictions to multi-county regional agencies and State government on proposed changes to multi-county regional plans, State plans, and laws;
 - b. provide a forum, as necessary, for achieving coordination in the development of local plans and resolving planning and plan implementation issues that are common among jurisdictions;
 - c. promote coordination and consistency among local plans and between local plans and the Countywide Planning Policy and the Growth Management Act to the extent necessary to achieve regional policies and objectives. Through the Kitsap Regional Coordinating Council forum, jurisdictions should establish a process to monitor and review individual comprehensive plans and associated implementation mechanisms to determine consistency with the Countywide Planning Policy.
 - d. serve as a forum for resolving disputes locally. The process shall not preclude appeals to the Central Puget Sound Growth Planning Hearings Board if the local process has been exhausted without resolution of the dispute;
 - e. promote coordination of educational programs and the dissemination of planning-related information of regional interest;
 - f. coordinate the review, revision and monitoring of the Countywide Planning Policy;
 - g. apply for grants and administer contracts relative to regional tasks and plans;
 - h. conduct the region-wide growth management planning consistent with these policies;
 - i. initiate and coordinate the development of other regional planning policies and implementation mechanisms that may improve the effectiveness of the comprehensive planning process.
 - j. define and implement procedures that assure opportunities for early and continuous public involvement in policy discussions facilitated by KRCC.

2. KITSAP COUNTY is the regional government within the county boundaries providing various services within unincorporated and incorporated areas as required and specified by law and by legal agreements. Kitsap County shall:

- a. be responsible for the development, adoption and implementation of comprehensive plans and development regulations and the processing of land use permits for the unincorporated portions of the county;
- b. be responsible for coordinating water quality planning in multi-jurisdictional watersheds and for other environmental planning activities as agreed to by all affected and interested jurisdictions;
- c. be responsible for coordinating the response on the listing for the federal Endangered Species Act in multi-jurisdictional watersheds as agreed by all affected and interested jurisdictions;
- d. be responsible for being a regional sewer provider to the unincorporated and incorporated areas of Kitsap County as needed to improve water quality consistent with levels of service outlined in the County Comprehensive Plan;
- e. maintain a geographic information system to serve as a regional planning data base;
- f. execute Urban Growth Area Management Agreements with each city to address joint issues identified in the Countywide Planning Policy and other matters agreed to be of mutual interest;
- g. define and implement procedures that assure opportunities for early and continuous public involvement throughout short and long range planning projects.

3. CITIES within Kitsap County provide a variety of services primarily to residents within their respective municipal boundaries. Cities shall:

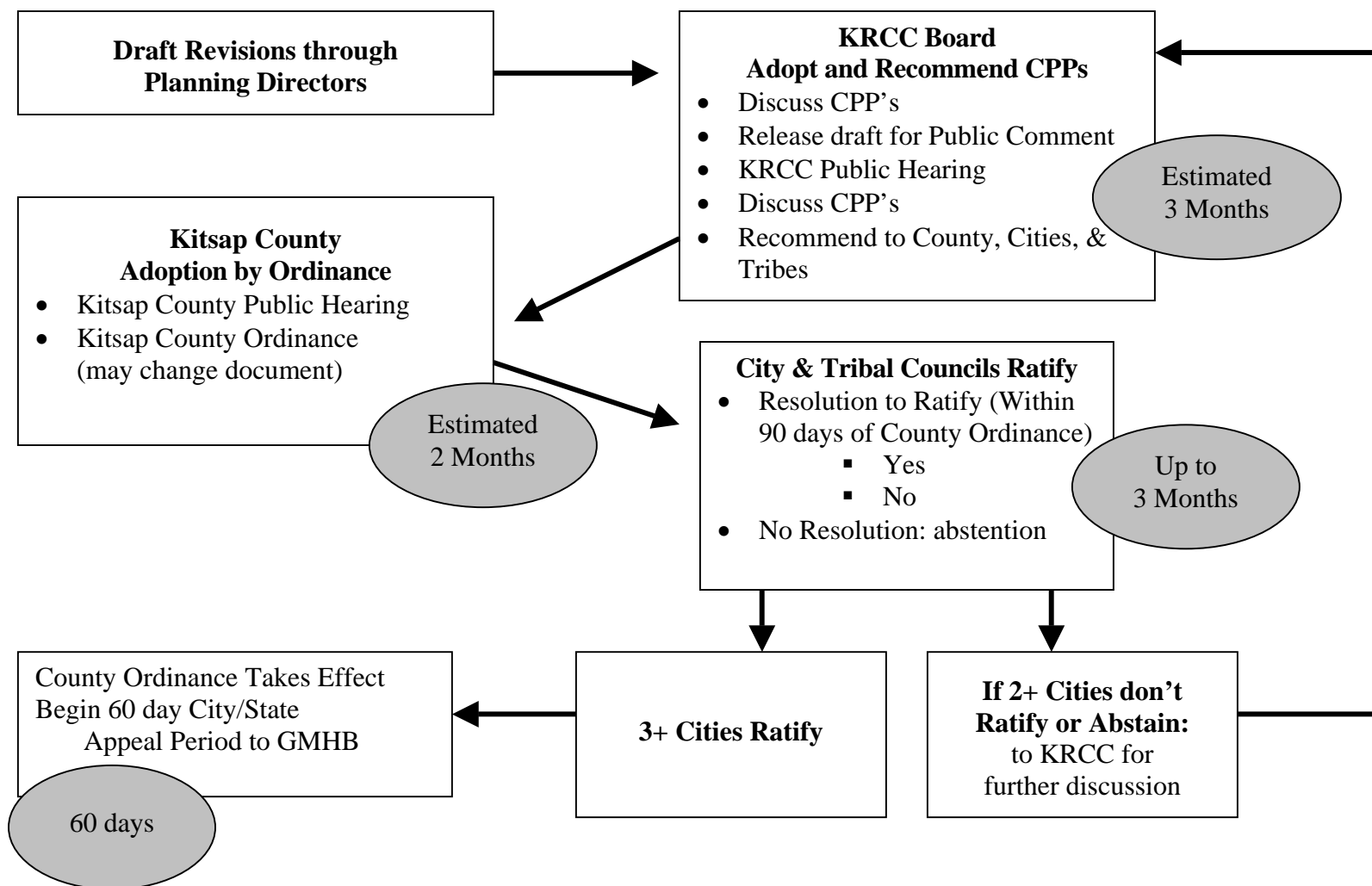
- a. provide urban governmental services as identified in the Growth Management Act (Chapter 36.70A RCW) and adopted urban growth management agreements;
- b. be responsible for the development, adoption and implementation of comprehensive plans and development regulations and the processing of land use permits within the incorporated portion of the respective city;
- c. coordinate with other agencies as appropriate in multi-jurisdictional planning activities;
- d. execute a separate Urban Growth Area Management Agreement with Kitsap County to address joint issues identified in the Countywide Planning Policy and other matters agreed to be of mutual interest;
- e. define and implement procedures that assure opportunities for early and continuous public involvement throughout short and long range planning projects.

4. SPECIAL DISTRICTS are governmental subdivisions of the county that are usually established to provide a defined scope of services. Special districts shall:

- a. be responsible for service provision, capital facility planning and other activities as authorized by law and legal agreements.
- b. coordinate capital planning and implementation strategies with local governments to assure consistency with comprehensive plan policies;

- c. participate in service provision identification required in each urban growth management agreement;
- d. coordinate with other agencies as appropriate in multi-jurisdictional planning activities;
- e. provide technical assistance as appropriate to assist local governments in comprehensive plan development, adoption and implementation;
- f. be encouraged to enter into cooperative agreements and consolidate when possible to formalize participation in local and regional processes;
- g. define and implement procedures that assure opportunities for early and continuous public involvement throughout short and long range planning projects.

**Appendix A:
Kitsap Countywide Planning Policy Ratification Process**



Note that the KRCC anticipates refinements to this process over time.

Appendix B: Population Distribution 2005 - 2025

Population Distribution 2005 through 2025	2000 Population	Through 2025		
		+ New Population	= Total in 2025	Annual Growth Rate
Bremerton City ²	37,259	14,113	51,372	1.29%
East UGA ¹	5,412	2,114	7,526	1.33%
West UGA ¹	3,229	1,930	5,159	1.89%
Bremerton Port UGA ²	68	-68	0	-100.00%
Central Kitsap UGA ¹	21,743	8,349	30,092	1.31%
Gorst UGA ¹	154	73	227	1.57%
Silverdale UGA ¹	15,276	7,339	22,615	1.58%
Bainbridge Island City ²	20,308	8,352	28,660	1.39%
Kingston UGA ³	1,871	3,000	4,871	3.90%
Poulsbo City ²	6,813	3,573	10,386	1.70%
UGA ²	901	3,207	4,108	6.25%
Port Orchard City ²	7,693	3,600	11,293	1.55%
UGA ²	11,570	3,200	14,770	0.98%
Port Orchard UGA Expansion Study Area ³	0	6,000	6,000	
South Kitsap UGA: ²	1,241	7,600	8,841	8.17%
UGA Population	133,537 58%	72,383 76%	205,920 63%	1.75%
Non-UGA Population	98,432 42%	22,858 24%	121,290 37%	0.84%
Total County Population	231,969	95,241	327,210	1.39%

OFM Projection through 2025	Low	268,573	0.59%
	Intermediate	331,571	1.44%
	High	412,391	2.33%

- ¹ Based on PSRC Model
² Based on City and/or County
 Comprehensive or Sub-area planning
³ Target to be substantiated by further
 analysis and/or Sub-area planning
⁴ Office of Financial Management
 official estimate

Kitsap County Historical Growth		
	US Census	Annual Growth Rate
1960	84,176	
1970	101,732	1.91%
1980	147,152	3.76%
1990	189,731	2.57%
2000	231,969	2.03%
2004 ⁴	239,500	0.80%

Population distribution will be reviewed through the KRCC process in five years and, if the above three quarters (76%) UGA target is not re-affirmed or otherwise modified, the target will revert to five sixths (83%), as per the revised Countywide Planning Policies adopted by Kitsap County Ordinance #258-01 on August 20, 2001

Appendix C: Urban Growth Area Management Agreements

The intent of the Urban Growth Area Management Agreement is to facilitate and encourage annexation and/or incorporation of urban areas over the 20 year planning period and to ensure compatibility of development within the unincorporated Urban Growth Area. Each Urban Growth Area Management Agreement shall:

1. Describe the goals and procedures of the joint planning process including roles and responsibilities for the unincorporated Urban Growth Area, with the goal of having identical City and County plans, zoning, and development regulations. The following provisions should apply to the entire Urban Growth Area associated with the City unless mutually agreed otherwise by the City and County:
 - i. The City's zoning code, densities, and development, sub-division, environmental, and construction standards.
 - ii. The City's Levels of Service.
 - iii. The Comprehensive Plan of the City should reflect land use planning for the entire Urban Growth Area.
 2. Identify responsibility and mechanisms for comprehensive plan amendments, zoning changes and development applications within unincorporated Urban Growth Areas. Significant weight should be given to City preferences.
 3. Identify services to be provided in the Urban Growth Area, the responsible service purveyors, and the terms under which the services shall be provided, including:

Fire	Storm Water	Solid Waste
Police	Potable Water	Park & Recreation Facilities
Transportation	Sewer	Schools
Utilities: Power and Telecommunications	EMS	
- All service providers, including special districts, and adjacent jurisdictions should be included in Urban Growth Area planning.
4. Reference the adopted Revenue Sharing Inter-local Agreement (see Appendix D). -
 5. Describe the City's pre-annexation planning, which may include:
 - i. Conditioning City service extensions upon actual annexation for properties contiguous to the City boundary or to agreements of no protest to future annexation for properties not contiguous.
 - ii. Offering pre-annexation agreements to property owners interested in annexation and needing assurances from the City about services, planning, or other issues.

Appendix D

Interlocal Agreement Between Kitsap County and the City of Bainbridge Island, City of Bremerton, City of Port Orchard and City of Poulsbo Concerning Revenue Sharing Upon Annexation and In Conjunction With Major Land Use Decisions Within a City's Urban Growth Area

(adopted by all parties in November-December, 2001)

This Agreement, made pursuant to Chapter 39.34 RCW, is between KITSAP COUNTY (hereinafter, the County), a political subdivision of the State of Washington, and the CITY OF BAINBRIDGE ISLAND, the CITY OF BREMERTON, the CITY OF PORT ORCHARD, and the CITY OF POULSBO, (hereinafter, the Cities), municipal subdivisions of the State of Washington.

WHEREAS, through the Kitsap Regional Coordinating Council (hereinafter KRCC), the County and the Cities have worked together constructively on revenue sharing issues that in the past have been adversarial; and

WHEREAS, the County and Cities sought a balanced set of revenue sharing provisions that would benefit both the County and the Cities and support the orderly evolution of logical land use patterns and jurisdictional boundaries; and

WHEREAS, the County and Cities reached accord on a set of Principles of Agreement for Revenue Sharing in Annexations and in Major Land Use Decisions; and

WHEREAS, the County and Cities desire to implement the Principles of Agreement through an interlocal agreement;

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein, the parties agree as follows:

SECTION 1 ANNEXATIONS

The purpose of this section is to provide a framework for logical and orderly annexations that are consistent with the Growth Management Act, Chapter 36.70A RCW (hereinafter GMA), and to mitigate the fiscal impact to the County of annexations initiated after the effective date of this agreement.

1.1 The Cities each confirm their willingness to eventually annex all land within their designated Urban Growth Area (hereinafter UGA) boundaries.

1.2 Each City shall encourage annexation of all lands equally, and will support logical and coordinated annexations, consistent with the intent of the GMA.

1.3 As part of the KRCC's 2002 Work Program, the County and Cities will continue to address coordinated development within the UGAs, including infrastructure standards and funding.

1.4 Before the County constructs a major infrastructure improvement within a City's designated UGA, the County and the City will negotiate and execute an interlocal agreement that specifies the level at which the City shall reimburse the County for a portion of its investment in the infrastructure improvement if the area where the improvement is to be located is annexed within a specified period of time.

1.5 The County and the Cities anticipate that each specific proposed annexation will require negotiation of other issues particular to its time, place and geography. The Cities and the County commit to completing these negotiations and executing an interlocal agreement on such issues in a timely manner.

1.6 As part of this agreement, the County will not oppose annexations within that City's designated UGA or invite the Boundary Review Board to invoke jurisdiction.

1.7 The Cities agree to share with the County revenue lost to the County and gained by the annexing City as follows:

A. Revenue sharing payments shall be based on the following three sources of revenue:

1. The County's portion of the local retail sales tax levied under Chapter 82.14 RCW;
2. The ad valorem property tax levied by the County pursuant to RCW 36.82.040 for establishment and maintenance of county transportation systems; and
3. The admission tax levied by the County pursuant to Chapter 36.38 RCW.

B. For purposes of this Section, "lost revenue" means an amount computed as follows:

The combined total of the County's collections from all three sources within the annexation area during the calendar year preceding annexation

minus

The combined total of the County's collections from all three sources within the annexation area during the first full calendar year following annexation.

C. The amount of the payment from the City to the County will be based on a three-year "soft landing" approach as follows:

1. The Year 1 payment will be equal to 75% of the County's lost revenue;
2. The Year 2 payment will be equal to 50% of the County's lost revenue; and
3. The Year 3 payment will be equal to 25% of the County's lost revenue.

D. The calculation of lost revenue pursuant to subsection B of this Section requires revenue data for one full year following annexation. Therefore, the County shall initiate a request for payment under this Section by written notice to the annexing City within two years of the effective date of the annexation.

SECTION 2 MAJOR LAND USE ACTIONS

The purpose of this section is to recognize that retail development near jurisdictional boundaries has an impact on neighboring jurisdictions and, in particular, on existing businesses and the demand for public services and facilities. This Section is designed to mitigate these impacts by providing that sales tax revenues from new major business development within a City's designated UGA, or from the relocation of an existing major business from a City to a location within the City's designated UGA, will be shared with the affected City.

2.1 For purposes of this Agreement, "major land use" means:

- A. A new development within a City's designated UGA that houses any single retail tenant greater than 40,000 square feet;
- B. The expansion of an existing retail business within the City's designated UGA if the expansion is greater than 40,000 square feet;
- C. A retail business greater than 25,000 square feet that is relocated from a City to the City's designated UGA; or
- D. An automobile, truck, recreational vehicle, manufactured or mobile home, or boat dealership, regardless of the size of the building permitted, that is newly located within a City's designated UGA, or relocated from a City to the City's designated UGA.

2.2 The County agrees to share with the affected City revenue lost to the City and gained by the County due to a major land use, as follows:

A. Revenue sharing payments will be required only for local retail sales tax revenues generated from major land uses. Because there are limitations, related to confidentiality, on using a figure based on actual sales tax collections from the new or relocated business, the revenue sharing payment will be based on estimated sales tax revenues derived by using industry standards, such as the Washington State Department of Revenue or the Urban Land Institute, for taxable retail sales per square foot for businesses.

B. For purposes of this Section, “lost revenue” means an amount computed as follows:

$$\begin{array}{r} \text{Total gross enclosed building square footage of the major land use} \\ \times \\ \text{Industry standard annual average retail sales per square foot for category of business that most closely resembles} \\ \text{the major land use} \\ \times \\ \text{Tax rate levied under Chapter 82.14 RCW} \end{array}$$

for the first full calendar year following the date on which the County issues a certificate of occupancy for the major land use.

C. The County will make revenue sharing payments for the first full three years after the major land use receives a certificate of occupancy.

D. The revenue sharing payment from the County to the affected City will be calculated according to the following formulas:

1. For the relocation of a major retail business from a City to the City’s designated UGA:

- a. The Year 1 payment will be equal to 75% of the City’s lost revenue;
- b. The Year 2 payment will be equal to 50% of the City’s lost revenue; and
- c. The Year 3 payment will be equal to 25% of the City’s lost revenue.

2. For new development within a City’s designated UGA that houses any single retail tenant greater than 40,000 square feet, the payment amount will be 50% of the City’s estimated lost revenue each year for the first three years.

F. The calculation of lost revenue pursuant to subsection B of this Section requires revenue data for one full year following issuance of a certificate of occupancy. Therefore, the affected City shall initiate a request for payment under this Section by written notice to the County within two years of the date the major land use receives the County’s permission to occupy the building.

SECTION 3 MISCELLANEOUS

3.1 Duration. This Agreement will remain in effect until the terms of the Agreement are fulfilled. There is no other term agreed to by the parties

3.2 Reevaluation. Any City or the County may request immediate reevaluation of this Agreement by the KRCC Revenue Sharing Policy Committee. If the reevaluation fails to yield a resolution satisfactory to the requesting party within six months from the date the request for reevaluation was made, the requesting party may initiate the process for termination provided in this Agreement.

3.3 Termination. After completion of the Reevaluation process required by this Agreement, a party may terminate this Agreement by 12 months’ written notice to the other parties. Termination does not extinguish the obligations of the terminating party under this Agreement for annexations initiated, or major land uses for which an application is filed, prior to the effective date of termination.

3.4 Filing. When fully executed, this Agreement shall be filed with the Kitsap County Auditor.

3.5 Notices. Any notices required by this Agreement shall be delivered, or mailed postage prepaid, and addressed to:

<u>Kitsap County</u>	<u>City of Bainbridge Island</u>	<u>City of Bremerton</u>
Clerk to the Board	City Clerk	City Clerk
Office of the Kitsap County	City of Bainbridge Island	City of Bremerton
Board of Commissioners	280 Madison Avenue N.	239 4 th Street
614 Division Street	Bainbridge Island, WA 98110	Bremerton, WA 98337
Mailstop 4		
Port Orchard, WA 98366		

<u>City of Port Orchard</u>	<u>City of Poulsbo</u>	<u>Kitsap Regional Coordinating Council</u>
City Clerk	Mayor	Executive Director
City of Port Orchard	City of Poulsbo	Kitsap Regional Coordinating Council
216 Prospect Street	19050 Jensen Wy NE	25406 S. Kingston Road
Port Orchard, WA 98366	P.O. Box 98	Kingston, WA 98346
	Poulsbo, WA 98370	

3.6 Administration. As this Agreement contemplates no joint or cooperative undertaking, each party shall administer the Agreement as to its own responsibilities under the Agreement. The KRCC shall oversee the revenue sharing process provided for in this Agreement.

3.7 Reporting. The County and the Cities shall report to the KRCC at the start of each calendar year any payments made or received by the reporting jurisdiction pursuant to this Agreement during the preceding calendar year.

3.8 Waiver. The failure by the County or any City to enforce any term or condition of this Agreement shall not be construed to constitute a waiver of any other term or condition, or of any subsequent breach of any provision, of this Agreement.

3.9 Entire Agreement. This Agreement includes the entire agreement of the parties with respect to any matter addressed in this Agreement

3.10 Amendment. This Agreement may be amended only upon the written agreement of the parties made with the same formalities as those required for its original execution.

3.11. County-wide Planning Policy. To the extent that anything in this Agreement may be found to be inconsistent with any part of the Kitsap County-wide Planning Policy, the County and City in 2002 will review the applicable parts of the County-wide Planning Policy and revise them in accordance with this Agreement.

3.12 Review. The County and the Cities shall review this Agreement within the KRCC in December of 2003, and every five years thereafter.

3.13 Effective Date. This Agreement shall take effect retroactively to September 4, 2001, as this date has been expressly agreed upon by all the parties.

Appendix E. Interlocal Agreement Establishing the Kitsap Regional Coordinating Council

Adopted by Kitsap County
and all four cities
3/21-6/20/01

THIS AGREEMENT is made and entered into by and between the undersigned members of the Kitsap Regional Coordinating Council, pursuant to provisions of the Inter-local Cooperation Act of 1967, Chapter 39.34 RCW.

WHEREAS, the undersigned members recognize the need and desirability to participate in a forum for intergovernmental coordination, cooperation, and consultation among member agencies in order to bring about a continuous and comprehensive regional planning process and efficient service delivery; and

WHEREAS, the undersigned members desire jointly to undertake continuous cooperative regional development, land use, housing, capital facility, service, and transportation planning; and

WHEREAS, it is the belief of the undersigned members that regional deliberations, planning, and review should be accomplished whenever possible by all jurisdictions affected and should receive policy direction from all local general purpose and tribal governments;

THEREFORE, in consideration of mutual promises and covenants herein it is hereby agreed:

1. **DEFINITIONS:** For the purpose of this Inter-local Agreement and all other agreements, contracts, and documents executed, adopted, or approved pursuant to this agreement, the following terms have the meaning prescribed to them in this section unless the context of their use dictates otherwise:
 - a. “*Member agency*” means any public body which is a party or becomes a party to this inter-local agreement and is a County, City, or federally-recognized Tribal government within the region;
 - b. “*State*” means the State of Washington;
 - c. “*Region*” means the territory physically lying within the boundaries of Kitsap County;
 - d. “*Council*” means the body of local and tribal elected officials designated in accord with the By-laws of the Kitsap Regional Coordinating Council to represent member agencies to carry out all delegated powers and managerial and administrative responsibilities of the Kitsap Regional Coordinating Council;
 - e. “*Majority vote*” means more than one-half of the votes cast when a quorum is present and must include a majority of votes from County representatives and a majority of votes from the representatives of at least two separate cities.
2. **ORGANIZATION – COMPOSITION AND NATURE:** The undersigned member agencies constitute the Council: Kitsap County, City of Bainbridge Island, City of Bremerton, City of Port Orchard, City of Poulsbo, the Port Gamble S’Klallam Tribe and the Suquamish Tribe. Management of the Council is structured as provided herein and by the Council Bylaws.
3. **AUTHORITY AND PURPOSES:** The Council has the following authorities and purposes:
 - a. To provide a regional forum for deliberations and cooperative decision-making by the region’s elected officials in order to bring about a continuous and comprehensive planning process.
 - b. To foster cooperation and mediate differences among governments throughout the region.

- c. To coordinate actions to provide for a sustainable economy and environment for the region.
 - d. To carry out such other planning and coordinating activities authorized by majority vote of the Council including participation in other forums and organizations.
 - e. To provide for administrative services necessary and incidental to the aforementioned Council activities.
4. **FINANCING:** The Council receives funds from each member agency as provided by the Bylaws and from other available funding sources. The Council may apply for funding of any nature as may become available to assist the Council in carrying out its purposes and functions.
5. **FISCAL YEAR AND BUDGET:** The fiscal year coincides with the calendar year. The Council adopts an annual work program and budget in advance of each fiscal year that identifies anticipated activities, goals, revenues, and expenditures for completing the work program. A draft work program and budget is prepared by the Executive Committee established by the By-laws of the Council and is submitted for consideration and approval by the full Council. After the Council has approved the final budget it is forwarded to the County for inclusion as a distinct agency fund within the Kitsap County Budget. No increase or decrease to the final budget shall occur without the approval of the Council.
6. **WITHDRAWAL FROM AGREEMENT:** Any member agency has the right to withdraw from this Inter-local Agreement by giving the Council six (6) months prior written notice. Unless otherwise provided by future agreement, any member agency that withdraws shall remain responsible for its financial and other obligations with regard to Council activities until the effective date of withdrawal and with regard to agreements to which the Council is a party and which exist at the time of such notice of withdrawal. Withdrawal by one member agency to this Inter-local Agreement shall not terminate the agreement as to any other remaining member agencies.
7. **DISPOSAL OF ASSETS:** Upon termination of this agreement any Council assets, after payment of all liabilities, costs, expenses, and charges validly incurred under this agreement, shall be distributed to all contributing member agencies in proportion to their contribution determined at the time of termination. The debts, liabilities, and obligations of the Council shall not constitute a debt, liability, or obligation of any member agency.